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NATURAL RESOURCES

Assembly
California Legislature
JOHN LAIRD
ASSEMBLY MEMBER, TWENTY-SEVENTH DISTRICT



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DISTRICT OFFICES
SANTA CRUZ COUNTY
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99 PACIFIC STREET, SUITE 552-D
MONTEREY, CA 93940
(831) 648-2832
(408) 782-0847
FAX: (831) 648-2936

May 26, 2005

Attn: Sam Schuchat
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612

Dear Members:

I am writing to urge the Ocean Protection Council to agendize the California Fisheries Revolving Loan Program for discussion and potential approval for funding, as authorized under the California Ocean Protection Act. Specifically, I support funding in the amount of \$150,000 to create a business plan, map out a proposed operating structure, and identify modes of capitalization for a robust Revolving Loan Program.

The California Ocean Protection Act created a \$10 million Ocean Protection Trust Fund (OPTF) and authorizes various activities that it can support. Some activities, such as research, monitoring, and coastal habitat acquisition will require grants, as they do not generate revenue.

However, fisheries reform presents a unique opportunity to leverage the OPTF by allocating a portion to create a self-regenerating Fisheries Revolving Loan Program. Fishers, industry groups, or others could apply to receive funds from the loan program to develop and implement measures likely to result in improved financial and conservation performance. Fishers remaining in the given fishery would be required to pay back the loan over a multi-year period, and would commit to measures that would ensure management reforms to meet both economic and ecological sustainability criteria.

We consider the Fisheries Revolving Loan Program a "win-win" for fisheries management.

- California taxpayers would benefit because the fund would be sustainable, allowing investments in fishery after fishery after replenishment from successful projects
- The fishing industry would become more viable financially and able to pay a greater share of management costs

- The fish population and habitats would benefit, because the loans from this fund would leverage necessary reforms in fishery management to ensure long-term sustainability of fishing practices and harvest levels.
- Fishery managers would have increased flexibility and potentially more funds for research and monitoring (due to cost-sharing with industry), and would have the leverage provided by the loan program to meet management objectives that have eluded them to date due to budget shortfalls.

I like this innovative approach because it could provide critical financing for long-lasting fisheries reform resulting in better conservation and financial performance, independent of the vagaries of legislative appropriations. Please do not hesitate to contact me if you would like to discuss this proposal.

Sincerely,



JOHN LAIRD

Assemblymember, 27th District

- The fish population and habitats would benefit, because the loans from this fund would leverage necessary reforms in fishery management to ensure long-term sustainability of fishing practices and harvest levels.
- Fishery managers would have increased flexibility and potentially more funds for research and monitoring (due to cost-sharing with industry), and would have the leverage provided by the loan program to meet management objectives that have eluded them to date due to budget shortfalls.

I like this innovative approach because it could provide critical financing for long-lasting fisheries reform resulting in better conservation and financial performance, independent of the vagaries of legislative appropriations. Please do not hesitate to contact me if you would like to discuss this proposal.

Sincerely,



JOHN LAIRD

Assemblymember, 27th District

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JAY K. ELDER
THOMAS D. GREEN
PHILLIP J. SEXTON,

Harbor Manager
Legal Counsel
Treasurer

September 15, 2005

Douglas Bosco, Chair, California Coastal Conservancy
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Mr. Bosco:

I am writing to express my support for the establishment of the Fisheries Revolving Loan Fund authorized by the California Ocean Protection Act, and for a grant to Environmental Defense and Shorebank Enterprise Pacific to develop the Fund.

As a supporter of ocean conservation and sustainable fisheries, we at Port San Luis Harbor District believe that California has enough laws and policies that incorporate ecosystem management principles. However, implementation of these existing laws has been hampered by lack of funding. It is our experience that California fisheries have the potential for much better financial and environmental performance given wise investments in governance, enforcement, and marketing. I therefore support the establishment of a Fisheries Revolving Loan Fund.

The Fisheries Revolving Loan Fund would provide funding for the fisher industries and harbors that commit to improvements in management measures, fishing capacity, gear changes, research, value-added processing and marketing, or other changes that can be expected to improve financial and conservation performance. The loans would be repaid through assessments on the more profitable fisheries, allowing the fund to revolve and invest in other fisheries. The result will be more profitable fisheries and harbors that are doing more to conserve fish stocks and their habitats.

We also strongly support a planning grant to Environmental Defense, in-conjunction with Shorebank Enterprise Pacific, which will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and develop a plan for leveraging the FRLF, building on seed capital provided by the state.

Sincerely

Jay Elder, Harbor Manager
Port San Luis Harbor District

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SEP 19 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.

c: Harbor Commission

UNIVERSITY OF CALIFORNIA, SANTA BARBARA

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SANTA BARBARA • SANTA CRUZ

DONALD BREN SCHOOL OF ENVIRONMENTAL SCIENCE AND MANAGEMENT

SANTA BARBARA, CA 93106
<http://www.bren.ucsb.edu/>

3 August 2005

Douglas Bosco
Chair
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Douglas,

I write in support of the establishment of a Fisheries Revolving Loan Fund, as authorized by the California Ocean Protection Act. I am deeply involved in collaborative research with the Southern California Lobster and Trap Fishermen's Association, mainly to examine effects of marine reserves on lobster fishing yields and to establish a regional monitoring program that will provide a scientific basis for regional fishery-ecosystem management in the Santa Barbara Channel. Collaborative research programs like ours, that involve fishermen, university and agency scientists, managers, and environmental advocates, are a powerful means of advancing fishery management and would benefit greatly from a FRLF program.

As you well know, California's fisheries represent a valuable cultural heritage and source of healthful seafood. A better scientific understanding of the status of fish stocks and the impacts of fishing on habitats has grown, harvests have been restricted and extensive areas have been closed to certain kinds of fishing, causing social and economic harm. In addition, experience with different kinds of fishery management systems around the world has shown that the financial and conservation performance of fisheries can often be substantially improved.

California has excellent laws and policies like the Marine Life Management Act that incorporate ecosystem management principles, but implementation has been constrained by lack of funding and institutional capacity. I think the FRLF is an excellent means of investing in fisheries that commit to improvements in management measures, fishing capacity, research, or other changes that can be expected to improve financial and conservation performance. Such investments could be linked with other investments in labeling, marketing, and distribution of eco-friendly seafood to realize price premiums and exploit new markets, such as the \$20 million Sea Change Investment Fund is contemplating. The result will be more profitable fisheries that are doing more to conserve fish stocks and their habitats. Loans from the FRLF would be repaid, allowing for investment in other fisheries and creating a sustainable source of financing. Over time, more profitable fisheries would share the

August 4, 2005

costs of management, research, and enforcement with the state, thereby freeing up state funds.

I also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and capitalize the FRLF, building on seed capital provided by the state.

Sincerely,


Hunter Lenihan

Assistant Professor
Applied Marine Ecology

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AUG 08 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.

Morro Bay Commercial Fishermen's Organization Inc.



P.O. BOX 450, MORRO BAY, CALIFORNIA 93443
(805) 772-4893 • FAX (805) 772-4893 • fish@fix.net

Douglas Bosco, Chair
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530
T: 510-286-4092
F: 510-286-0470

Dear Mr. Bosco:

We are writing to express our support for the establishment of the Fisheries Revolving Loan Fund authorized by the California Ocean Protection Act, and for a grant to Environmental Defense and Shorebank Enterprise Pacific to develop the Fund.

As harbormasters and fishermen, we treasure the rich heritage of California's fisheries as well as the revenues that support our coastal communities. The fishing heritage of central California's harbors is iconic, inextricably woven into the state's history and culture. Moreover, this heritage is alive today -- commercial fishing and working harbors provide significant benefits to society, including fresh seafood, tax revenue, tourist attractions, and economic benefits that ripple through coastal communities and the nation. Some communities have been almost entirely dependent on fishing for generations. But California's fishing heritage is at risk.

Starting in the early 1990's, fishing opportunities for west coast groundfish -- e.g., halibut, black cod (sablefish) rockfish (snapper), and flatfish -- have become increasingly constrained as a result of reductions in total allowable catch. Efforts to keep the fishery open year-round resulted in smaller and smaller trip limits, making it difficult for fishermen to make a living, and for ports to maintain revenues. The establishment of very large areas closed to rockfishing resulted in further economic distress. As a result, the working harbors of the central California coast have become fragile -- their health linked to increasingly stringent and ever-changing fishing regulations, declining or highly variable fish landings, and reduced revenues. These factors in turn tend to discourage new investment and new business initiatives that are related to fisheries.

California has excellent laws and policies like the Marine Life Management Act that incorporate ecosystem management principles, but implementation has been constrained by lack of funding and institutional capacity. We therefore support the establishment of a Fisheries Revolving Loan Fund, as authorized by the California Ocean Protection Act. The FRLF would invest in fisheries that commit to improvements in management measures, fishing capacity, gear changes, research, value-added processing and marketing, or other changes that can be expected to improve financial and conservation performance.

The result will be more profitable fisheries that are doing more to conserve fish stocks and their habitats. Loans from the FRLF would be repaid, allowing for investment in other fisheries and creating a sustainable source of financing.

We also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and capitalize the FRLF, building on seed capital provided by the state.

Sincerely,

Trudi O'Brien

Trudi O'Brien

Secretary of Morro Bay Commercial Fishermen's Organization

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AUG 08 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.

Chuck Wise
President

David Bitts
Vice-President

Larry Miyamura
Secretary

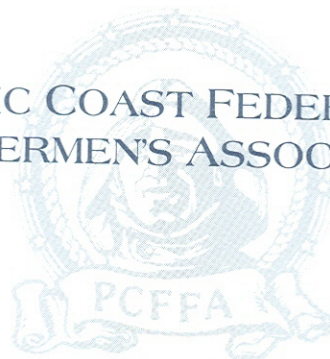
Marlyse Battistella
Treasurer

In Memoriam:

Nathaniel S. Bingham

Harold C. Christensen

**PACIFIC COAST FEDERATION
of FISHERMEN'S ASSOCIATIONS**



W.F. "Zeke" Grader, Jr.
Executive Director

Glen H. Spain
Northwest Regional Director

Mitch Farro
Fishery Enhancement Director

Vivian Bolin

Watershed Conservation Director

Duncan MacLean

Salmon Advisor

Please Respond to:

☒ California Office

P.O. Box 29370

San Francisco, CA 94129-0370

Tel: (415) 561-5080

Fax: (415) 561-5464

<http://www.pcffa.org>

☐ Northwest Office

P.O. Box 11170

Eugene, OR 97440-3370

Tel: (541) 689-2000

Fax: (541) 689-2500

25 August 2005

The Honorable Douglas H. Bosco, Chair
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Chairman Bosco:

The Pacific Coast Federation of Fishermen's Associations (PCFFA), representing working men and women in the west coast commercial fishing fleet, supports the establishment of a Fisheries Revolving Loan Fund authorized by the California Ocean Protection Act, and for a grant to Environmental Defense and Shorebank Enterprise Pacific to develop the Fund. PCFFA, in fact, supported the concept of a revolving loan fund for the fisheries in the California Ocean Protection Act legislation.

California has many productive fisheries in state waters, but, many have the potential for much better financial and environmental performance. The fisheries have often been hampered by lack of funding and institutional capacity, but wise investments in governance, enforcement, and marketing could help bolster our fisheries even further. I therefore support the establishment of a Fisheries Revolving Loan Fund.

The FRLF would invest in fisheries that commit to improvements such management measures, gear changes, research, value-added processing, marketing, or other changes. The goal of the loan is to provide much needed capital to improve fisheries' financial and conservation performance. The loans would be repaid through assessments on the resulting more profitable fisheries, at a rate and timeline appropriate for each loan recipient, thereby allowing invest in other fisheries. The result will be more profitable fisheries that are doing more to conserve fish stocks and their habitats.

We also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and develop a plan for leveraging the FRLF, building on seed capital provided by the state.

Sincerely,

W.F. "Zeke" Grader, Jr.
Executive Director

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SEP 02 2005



California Coastal and Marine Program
111 West Topa Topa Street
Ojai, CA 93023

tel [805] 646.8820
fax [805] 646.8833
nature.org

August 10, 2005

Mike Chrisman, Resources Secretary, Chair of the Ocean Protection Council
Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814
(916) 653-5656
(916) 653-8102 fax

Douglas Bosco, Chair, California Coastal Commission
California Coastal Commission
1330 Broadway, 11th Floor
Oakland California, 94612

Dear Secretary Chrisman and Chairman Bosco,

I wanted to write and express my enthusiastic support for the establishment of a Fisheries Revolving Loan Fund [FRLF] that would help California dramatically improve the management of its fisheries and help move the near-shore, crab, groundfish and squid fisheries towards sustainability. The Nature Conservancy has met and talked with dozens of fisherman and women over the past 28 months and we continue to here that most of California's fisheries are over capitalized with too many boats chasing too few fish. There needs to be a concerted public/private effort to reduce fishing capacity, replenish fish stocks, protect habitat and allow the remaining fleets to economically prosper. It appears that the best way to approach this comprehensive effort is a FRLF, either as a stand alone initiative, or coupled with outright buyback programs.

The Conservancy has been involved in trying to reduce the fishing effort of the central coast trawl fleet, which is managed by the PFMC and NOAA; and we are attempting to utilize philanthropic, private sector dollars to reduce trawling effort while simultaneously protecting the seafloor habitat. In a partnership with ED, NOAA Fisheries, the PFMC and trawlers, we have secured protection of 3.8 million acres of seafloor habitat between Pt. Sur and Pt. Conception. We have already purchased one federal trawl permit and have reached price agreement on 5 additional trawl permits and vessels. Of the 22 federal trawl permit holders operating in the central coast region, 17 have submitted their catch history for valuation purposes and have ask TNC for offers to purchase. I inform you about this project only to show that dramatic results can be obtained when you have the fisherman working cooperatively with NGOs and ocean agencies towards a common goal. I feel certain we can replicate that effort in state waters as well.

Combining a FRLF with private funds and investments could be efficiently coordinated to rationalize our fisheries and make California a leader in producing eco-friendly seafood - which will give the consumer the product they desire as well as add value to the fisherman's annual harvest.

TNC would be pleased to work with ED and Shorebank, should they receive the planning grant they are proposing, if we can be of assistance with financial valuations, marine surveys or other transactional aspects of a FRLF.

Sincerely,

A handwritten signature in cursive script that reads "Chuck Cook".

Chuck Cook

Director, Coastal and Marine Program
The Nature Conservancy - California



Matthew Elliott
Conservation Director
Sea Change Management, LLC
423 Washington St. 4th Fl
San Francisco, CA 94111

August 9, 2004

Mike Chrisman, Chair, Ocean Protection Council

Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Douglas Bosco, Chair, California Coastal Commission

California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Chairman Chrisman and Chairman Bosco,

I respectfully write this letter in support the establishment of a Fisheries Revolving Loan Fund (FRLF), as authorized by the California Ocean Protection Act. My name is Matthew Elliott, and I am the Conservation Director of Sea Change Management, LLC. Sea Change operates a \$20 million investment fund focused on promoting sustainable seafood in North America. Our fund is a double bottom-line fund, financed in part by the Packard Foundation, with an equal focus placed on financial returns and marine conservation benefits.

As you well know, California's fisheries represent a valuable economic and cultural resource. Marine life off of our coasts is both bountiful and diverse. However, over the past century, growth in our ability to efficiently extract fish from the sea has far outpaced the ability of marine life to sustain itself. Management has repeatedly had to restrict harvests levels and close certain areas and seasons to fishing effort. As a result of these necessary effort restrictions, the profitability of many fisheries has been marginalized: in most fisheries a race for fish has ensued. The problem is generally the basic design of the system: a tragedy of the oceanic commons. Our experience with different kinds of fishery management systems around the world (e.g. Iceland, New Zealand, Alaska, British Columbia) has shown that the financial and conservation performance of fisheries can typically be substantially improved. We feel that the FRLF represents one important pathway to do so.

With respect to California, the state already has excellent laws and policies in place, such as the Marine Life Management Act, which incorporate ecosystem management principles. These laws and policies are essential, but their implementation appears to be constrained by lack of funding and institutional capacity. One important piece in remedying this would be to create a designated and revolving fund that would invest in improvements in management measures, fishing capacity, research, or other changes that can be expected to improve financial and conservation performance. This type of capital can provide seed money to

create long-term fishery and conservation benefits of the type witnessed by the Alaskan halibut or BC groundfish industries.

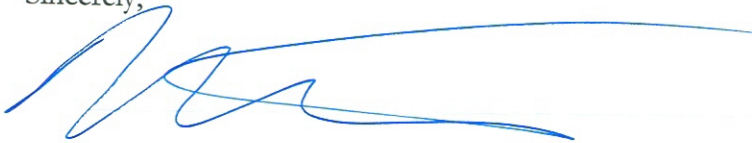
Such investments in improved management systems could also be fruitfully coordinated with ongoing efforts to label, market, and sell environmentally preferable seafood, thereby obtaining price premiums and exploiting new markets for Californian fisheries. A number of businesses that we have been in close contact with are beginning to focus their branding and marketing efforts on environmentally preferable seafood. The market for organic and environmentally preferable food in the United States has been expanding at double-digit growth rates over the past decade. At Sea Change we are working to promote companies that sell and distribute such fish, but our efforts ultimately depend on adequate supplies supported by rational fishery management. Our hope is that the FRLF will help to create more profitable fisheries doing more to conserve fish stocks and their habitats. As designed, loans from the FRLF would be repaid, allowing for investment in other fisheries and creating a sustainable source of financing. Over time, more profitable fisheries would share the costs of management, research, and enforcement with the state, thereby freeing up state funds.

In closing, we also support the proposed planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will lay the necessary groundwork for such a fund. Required first steps would likely include analyzing stakeholder interests, expectations, and opportunities for collaboration; developing the administrative and governance structure of the FRLF; creating a business plan for the FRLF; and fully capitalizing the FRLF, by building on seed capital provided by the state.

This is an opportunity for California to be among the foremost actors in fishery reform. A successful model is capable of reaping substantial environmental and economic returns not just in the U.S. but globally.

Please feel free to contact me with any questions you may have.

Sincerely,



Matthew Elliott
415.421.4213 x20
matthew@seachangefund.com

cc: Kate Bonzon (ED), Jason Winship (Sea Change)

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AUG 10 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.

The Kingfisher Foundation

August 15, 2005

Mr. Douglas Bosco
Chair, California Coastal Commission
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Mr. Bosco:

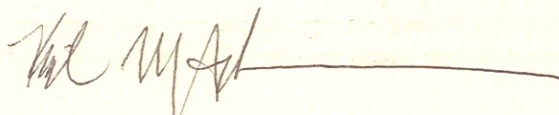
I am writing to express my support for the establishment of the Fisheries Revolving Loan Fund authorized by the California Ocean Protection Act and for a grant to Environmental Defense and Shorebank Enterprise Pacific to develop the Fund.

As a funder and supporter of ocean conservation and sustainable fisheries, I believe that California has excellent laws and policies like the Marine Life Management Act that incorporate ecosystem management principles. However, implementation has been hampered by lack of funding and institutional capacity. At the same time, experience has shown us that fisheries have the potential for much better financial and environmental performance given wise investments in governance, enforcement, and marketing. I therefore support the establishment of a Fisheries Revolving Loan Fund.

The FRLF would invest in fisheries that commit to improvements in management measures, fishing capacity, gear changes, research, value-added processing and marketing, or other changes that can be expected to improve financial and conservation performance. The loans would be repaid through assessments on the more profitable fisheries, allowing the fund to revolve and invest in other fisheries. The result will be more profitable fisheries that are doing more to conserve fish stocks and their habitats.

We also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and develop a plan for leveraging the FRLF, building on seed capital provided by the state.

Sincerely,



Kristine Johnson
Director

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AUG 16 2005
COASTAL CONSERVANCY
OAKLAND, CALIF.

3701 Sacramento Street, Number 207
San Francisco, California 94118
Phone: 415 409 8989 • Fax: 415 409 9090

PAUL JUNGER WITT

August 10, 2005

Mr. Douglas Bosco
Chair, California Coastal Commission
California Coastal Conservancy
1330 Broadway – 11th Floor
Oakland, CA 94612-2530

Dear Mr. Bosco:

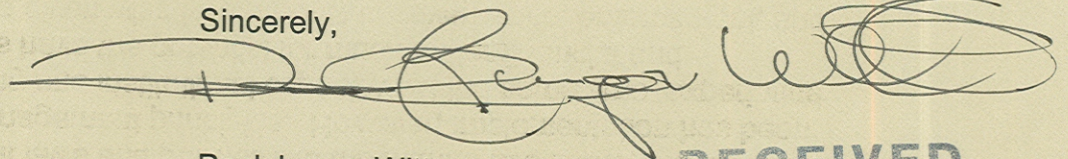
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Sincerely,



Paul Junger Witt
11901 Santa Monica Boulevard
Suite #596
West Los Angeles, CA 90025

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AUG 12 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.

August 11, 2005

Mr. Douglas Bosco
Chair, California Coastal Commission
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Chairman Bosco:

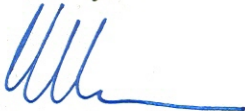
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We also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and develop a plan for leveraging the FRLF, building on seed capital provided by the state.

Sincerely,



Arthur H. Kern
Trustee, Environmental Defense; Co-Chair, Oceans Subcommittee

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AUG 15 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.



August 14, 2005

Douglas Bosco, Chair
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612-2530

Dear Mr. Bosco,

I am writing to express my support for the establishment of the Fisheries Revolving Loan Fund authorized by the California Ocean Protection Act, and for a grant to Environmental Defense and Shorebank Enterprise Pacific to develop the Fund.

As a funder and supporter of ocean conservation and sustainable fisheries, I believe that California has excellent laws and policies like the Marine Life Management Act that incorporate ecosystem management principles. However, implementation has been hampered by lack of funding and institutional capacity. At the same time, experience has shown us that fisheries have the potential for much better financial and environmental performance given wise investments in governance, enforcement, and marketing. I therefore support the establishment of a Fisheries Revolving Loan Fund.

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We also support a planning grant to Environmental Defense, which, with Shorebank Enterprise Pacific, will: analyze stakeholder interests, expectations, and opportunities for collaboration; develop the administrative and governance structure of the FRLF; create a business plan for the FRLF; and develop a plan for leveraging the FRLF, building on seed capital provided by the state.

Sincerely,

A handwritten signature in blue ink, appearing to read "RA", followed by a long horizontal line.

Rod A. Beckstrom
Chairman

RECEIVED

AUG 16 2005

COASTAL CONSERVANCY
OAKLAND, CALIF.